

# SOCIAL CAPITAL OF VIETNAMESE RURAL PEOPLE

*Luu Quang Tuan*  
*Institute of labour Science and Social*  
*Affairs*

3-4 November 2014

# Contents

1. Country at a glance
2. Concept of social capital
3. Data sources
4. Bonding and bridging social capital
5. Linking social capital
6. Trust and Attitudes to Cooperation
7. Conclusions

# 1. Country at a glance

GDP per capital (USD) : 1,908 (2013)

Population (mill. pers.) : 89.7  
(2013)

Rate of rural population (%) : 67.8  
(2013)

Labour force (mill. pers.) : 53.2  
(2013)

Labor informality (%) : 62.5  
(2013)

Rural poverty rate (%) : 14.1 (CPI updated)  
(2012)

Urban poverty rate (%) : 4.3 (CPI updated)  
(2012)

## 2. Concept of social capital

- Social capital refers to the relationships that a family (or household) has with relatives, friends and other associates that can be used in times of need or to exchange information (Isham et al., 2002).
- According to Isham et al. (2002), social capital can be divided into “bonding”, bridging” and “linking” social capital.
  - Bonding and bridging social capital refer to personal interactions with people of the same social class (horizontal interactions);
  - Linking social capital refers to vertical interactions, for example relationships with people in power.

### 3. Data sources

- Panel data of the Vietnam Access to Resources Household Survey
- The survey has been carried out in even years, since 2002
- Sample size: 3000 households in rural areas of 12 provinces, of which 2000 HHs are reinterviewed (panel data).

## 4. Bonding and bridging social capital

### Participation rate of HHs in formal group (%)

Household has at least one member of ...	HH head		Food Expenditure Quintile					Total
	Male	Female	Poorest	2 <sup>nd</sup> poorest	Middle	2 <sup>nd</sup> richest	Richest	
Any group	88.1	85.1	85.8	87.7	87.9	88.2	87.5	87.4
C.Party	9.3	7.8	4.3	5.3	7.6	12.7	15.0	9.0
Youth union	18.8	11.8	12.6	17.4	19.0	20.2	17.5	17.3
Women's union	60.0	49.3	56.6	58.4	57.7	59.5	56.1	57.7
Farmer's union	45.2	18.7	45.6	43.2	36.6	37.0	34.5	39.4
W...	15							

# Characteristics of groups and group membership (%)

	Group meets		Member almost always		Annual fee (,000 VND)
	monthly at least		participates in		
	Year 2008	Year 2010	Year 2008	Year 2010	
C.Party	84.2	77.4	94.3	88.1	144.0
Youth union	55.4	45.2	75.2	75.8	12.0
Women's union	32.9	25.5	62.3	69.1	12.0
Farmer's union	28.2	18.1	63.2	72.2	12.0
Veteran's union	27.7	19.8	83.9	81.7	12.0
Old age group	16.5	19.0	67.5	61.9	12.0
Religious group	84.0	90.0	82.7	93.8	0.0

# Benefits from group membership (%)

	Main benefit from joining this group							
	Benefit the community	Economic benefit	Social status & relation	Entertainment	Health benefit	Increase knowledge	Other	No benefit
C.Party	25.1	7.9	<b>55.5</b>	2.2	2.6	5.3	0.9	0.4
Youth union	31.6	6.1	9.8	23.4	1.2	26.9	0.9	0.2
Women's union	27	17.8	11.4	16.1	10.4	15.1	1.1	1.0
Farmer's union	24.9	24.4	7.9	13.2	0.9	27.4	0.7	0.5
Veteran's union	26.3	7.0	24.5	26.5	1.1	12.9	0.9	0.7
Religious' group	<b>58.8</b>	0.0	2.9	8.8	0.0	1.5	11.8	16.2
Old age group	25.4	5.3	13.1	39.2	8.9	6.2	1.0	0.9
Other	4.8	14.4	34.6	32.7	1.0	11.5	1.0	0.0
<b>Total</b>	<b>26.6</b>	<b>14.3</b>	<b>14.2</b>	<b>20.5</b>	<b>5.7</b>	<b>16.8</b>	<b>1.1</b>	<b>0.9</b>



# People to turn to in case of emergency (%)

	HH Head		Food expenditure quintile					Total
	Male	Female	Poorest	2nd poorest	Middle	2nd richest	Richest	
Share of HHs with at least one person to turn to for money in case of an emergency	94.8	92.2	95.1	93.4	95.0	95.0	93.0	94.3
Share of helpers who are relative	71.4	74.4	73.4	73.3	70.7	72.4	70.3	72.0

*High rate of helpers, mainly relatives*

# 5. Linking social capital

## Political and Bureaucratic Connections

(%)

	HH Head		Food expenditure quintile					Total
	Male	Female	Poorest	2nd poorest	Middle	2nd richest	Richest	
Share of HHs with a member holding a public office or other position of public responsibility	6.4	3.6	2.5	5.9	8.2	6.6	5.9	5.8
Share of HHs with a member, relative or								

*The richer the HHs, the stronger the connections*

# 6. Trust and Attitudes to Cooperation

## *Trust in other people*

	HH head		Food Expenditure quintile				
	Male	Female	Poorest	2nd poorest	Middle	2nd richest	Richest
Share of HHs agreeing with the statement "most people are generally honest and can be trusted" (%)	82.6	82.1	89.0	81.5	81.9	81.8	78.2
Share of HHs agreeing with the statement "in this commune one has to be careful, there are people you can't trust" (%)	49.4	49.5	47.4	49.8	50.1	52.3	47.5

*High mutual trust. Richer HHs report lower levels of confidence in other people. Even though people have confidence in each other, around 50% of HHs agree that some people cannot be trusted*

# 6. Trust and Attitudes to Cooperation

## *Attitudes to cooperation*

	HH head		Food Expenditure quintile				
	Male	Female	Poorest	2nd poorest	Middle	2nd richest	Richest
Share of HHs who'd rather farm 0.5 ha alone than 3.5 ha jointly with other family (%)	77.0	71.4	76.2	79.0	79.4	73.2	71.4

*On average, 75% HHs report that they' go for the option of farming 0.5 ha → inconsistent with the earlier finding of high degree of mutual trust among HHs. Perhaps, this has been influenced by historical experiences from collective farming (before 1990s)*

# 7. Conclusions

Social capital and networks play an important role in rural areas of Vietnam:

- 95% of HHs have someone to turn to for assistance when faced with an adverse income shock (mainly family member/relatives). The survey also finds that money transfers were primarily remittances from children and relatives (accounted for 56.8%).
- Official mass organisation and formal groups involve the many HHs. Those groups have strong impacts on household livelihoods.
- The amount paid in membership fees is very small, meaning that no one is prevented from joining these groups.

*Thank you for your attention!*